COST AGREEMENT - BY-LAW REVIEW
MAKINSON & d'APICE LAWYERS

MAKINSON & d'APICE
LAWYERS

5 April 2011

Contact: Ian McKnight
Direct Line: 9233 9064
Direct Facsimile: 9233 9164
Email: imcknight@makdap.com.au
Partner: Richard d'Apice

BY EMAIL: nhowell@stratatitle.com.au

The Secretary
The Owners - Strata Plan No. 50785
C/- Nina Ashfield-Howell
Strata Title Management
PO Box 72
STRAWBERRY HILLS NSW 2012

Dear Secretary

Strata Plan No. 50785

Thank you for your request for this firm to provide the Owners Corporation with our estimate of costs to review and, when necessary, draft by-laws for Strata Plan No. 50785.

In compliance with our obligations under the *Legal Profession Act*, we **enclose** our Standard Costs Disclosure outlining the basis upon which we will act for you and the way in which we will charge you for this matter and refer you, in particular, to paragraph 3 of the costs disclosure. You will note that we have provided the estimate in two (2) parts, namely, advice and drafting (for which we have estimated an amount) and negotiations (for which we have provided (an hourly rate).

Should you wish to discuss any of these matters, please do not hesitate to contact us.

Yours faithfully

Makinson + d'Apice

Makinson & d'Apice

Encl.

Standard Costs Disclosure

DATE:	5 April 2011
TO:	The Owners - Strata Plan No. 50785
ADDRESS:	C/- Strata Title Management PO Box 72 STRAWBERRY HILLS NSW 2012
MATTER NAME AND NUMBER	Review and draft By-Laws
BRIEF DESCRIPTION OF WORK YOU REQUIRE US TO DO	To provide advice with respect to by-laws applicable to the strata scheme, draft amendments and additions, and to confer with respect to such amendments and additions.

This document discloses information about the costs of our legal services, and your rights, as required by the *Legal Profession Act* 2004 (NSW) (**Act**). You may negotiate and enter into a costs agreement with us based on the information contained in this document.

Liability limited by a scheme approved under Professional Standards Legislation.

1. GST

All rates, charges, expenses etc in this document are GST exclusive unless otherwise stated. Where the service provided is subject to GST, GST of 10% will be added and charged to you.

2. Costs - how calculated

2.1 Professional Fees

We will charge you professional fees for the work we do:

(a) an hourly rate of: $455.00 (plus 10% GST) for a partner;

(b) an hourly rate of up to: $415.00 (plus 10% GST) for a special counsel;

(c) an hourly rate of up to: $380.00 (plus 10% GST) for an associate;

(d) an hourly rate of up to: $365.00 (plus 10% GST) for a solicitor;

(e) an hourly rate of up to: $245.00 (plus 10% GST) for a paralegal.

Our hourly rates are generally reviewed on 1 July each year. Details of current rates are available at any time upon enquiry.

These rates will be proportionately charged for work involving shorter periods less than an hour. Our charges are structured in 5 minutes units. For example, the time charged for an attendance of up to 5 minutes will be 5 minutes and the time charged for an attendance between 5 and 10 minutes will be 10 minutes.

2.2 Charges

We will charge you for services we use or supply. Our rates are:

- document lodgement and searches at Courts etc: $10.00–$50.00 (plus 10% GST).

2.3 Expenses & Disbursements

We will incur expenses and disbursements (being money which we pay or are liable to pay) to others on your behalf. These may include:

Search and enquiry fees and registration costs.

We will inform you of these expenses and disbursements as well as any other payments required to be made, as soon as is reasonably practicable.

We will not charge you for faxes or internal photocopying.

3. Estimate of Costs

The following estimate, which does not include GST, is based on the information available to us to date. It is an **estimate, not a quotation** and subject to change.

We estimate the cost of the work to be:

Stage 1: Advice with respect to by-laws, and draft, as required, amendments and additions to these by-laws	$	2,500.00
Stage 2: Negotiations and implementation of resolutions for amendments and additions	$	(hourly rate)
Expenses & Disbursements:	$	100.00
TOTAL ESTIMATE:	$	**$2,600.00**

4. Your right to a bill of costs

You are entitled to receive a bill of costs from us. If we send you a lump sum bill, you may request an itemised bill within 30 days of receipt of the lump sum bill.

5. Billing arrangements

We will send you a bill of costs containing information of our professional fees and charges, disbursements and expenses, including GST, **either** after completion of the work, **or** monthly, or at other times as we deem appropriate, when the work is in progress. Our bill of costs is payable within 30 days of it being rendered.

6. Interest on unpaid costs

Interest may be charged at the Cash Rate Target specified by the Reserve Bank of Australia increased by 2%, as prescribed by clause 110A of the *Legal Profession Regulation* 2005 (NSW) on any bill of costs which remains unpaid after 30 days.

7. Dispute as to legal costs

The Act gives you the right to: apply to the Supreme Court to have the bill of costs assessed for its fairness and reasonableness by a Costs Assessor; or to have the dispute mediated; or a costs agreement set aside by the Costs Assessor on the basis that it is not fair, just or reasonable. Applications for assessment should be made before the expiry of 60 days after receipt of the bill of costs, or request for payment of costs made by us, or full payment made to us, whichever is the earliest.

8. Persons responsible for your matter and legal costs

Richard d'Apice with the assistance of employed solicitors and paralegals (as appropriate) will be responsible for your matter. You may contact Richard d'Apice at any time regarding your matter and/or your legal costs.

9. Substantial changes to disclosure

You will be informed, as soon as is reasonably practicable, of any substantial changes to anything contained in this disclosure document.

10. Progress reports

You are entitled to request, at reasonable intervals, written progress reports on your matter. Our normal charge-out rates will apply for this service. You are entitled to request a written report on the legal costs incurred to date since the last bill of costs was given to you, free of charge.

11. Engagement of another law practice

It may be necessary for us to engage, on your behalf, the services of another law practice to provide specialist advice or services, including advocacy services, or to act as our agent. We will consult you as to the terms of that law practice's engagement, but you may be asked to enter into a costs agreement directly with that law practice. The law practice engaged by us will disclose costs in a similar manner and we will disclose those costs to you.

12. Applicable law

The law of New South Wales applies to legal costs regarding this matter. You are, however, able to enter into a costs agreement with us on the basis that the corresponding law of another State or Territory is applicable if this matter has a **substantial connection** with that State or Territory. In that event, we will disclose costs as they are applicable in that State or Territory. You have the right to contract with us that the costs assessment scheme in New South Wales is applicable, in the event of any dispute as to costs arising with us.

13. Application of monies held on trust to pay our bill of costs

After we have sent you our bill of costs outlining our professional fees, charges and disbursements, we will consider ourselves authorised to apply any monies held by us on your behalf in our trust account towards payment of that bill of costs at the expiration of seven days unless you specifically advise us to the contrary.

14. Privacy

Amendments to the *Privacy Act* 1988 came into effect on 21 December 2001. Pursuant to those amendments, we advise that the information we collect and store about you includes name, address, contact details, date of birth, tax file number (for certain transactions only) and communications you have with us (eg letters and other documents). We only collect your personal details where it is necessary to provide a service to you or where we are required by law to do so. Your personal details are not available to all staff at our firm. Access to your information is restricted to partners and staff who require the information to provide our services to you. We do not pass your personal details to third parties except where it is necessary to provide a service to you or where we are required to do so by law. In order to keep your personal details as current as possible, we ask that you let us know of any change to those details as promptly as possible. If you want to access your personal details at any time, please telephone or write to us. Occasionally, we provide extra information such as newsletters. You can request not to receive this extra material by phoning or writing to us.